



the SandPaper

Reporting All the Nitty Gritty News from the 2005 National Flood Conference

Today's Tide Report:
CHANGED

FRIDAY
JUNE 3, 2005

TODAY'S HIGHLIGHTS

Workshops
8:30 – 10:00 a.m.
Closing General
Session
10:15 – 11:30 a.m.



FEMA

Town Hall Reports

Following are highlights of the issues raised in the Thursday morning meetings.

Floodplain Management/Mapping

Panelists described the Multi-Year Hazard Identification Plan (MHIP) for executing map modernization; multi-layer Digital Flood Insurance Rate Maps (DFIRMs) that can include orthophotos; and upcoming initiatives such as making BFE data and e-LOMAs available online. Other hot topics were community adoption of new flood maps and efforts to get these to the communities long before they become effective; building codes; and CRS changes such as the addition of a new activity recognizing promotion and sales of flood insurance, increased points for activities that encourage cost sharing for map modernization, and a new home study course for Certified Floodplain Managers.

Underwriting

Attendees discussed a range of policy and rating issues such as how to rate two or more buildings constructed above the same parking garage; how to rate a building when the attached garage and foyer are higher than the living space; and how to rate a hanging enclosure. Whether or not "stem walls" are elevated buildings also was discussed, as well as the documentation required for waivers when a building's lowest floor is at or above BFE. Attendees also explored exceptions to the 30-day waiting period for the RCBAP and whether or not a policy could be canceled if the insured was deceased.

Lender

Topics addressed included compliance issues from an auditor standpoint, zone determination discrepancies and responsibilities, coverage adequacy, premium adjustments for policies written using the wrong zone, determination of replacement cost value, condo coverage, and handling of home equity loans. Requests were made for



agreement between lending regulators on complex procedures for buildings under construction as well as replacement cost for condos, and additional requests were made to increase homeowner coverage limits above the current \$250,000 ceiling.

Claims

Initial discussion focused on customer service and adjuster issues. Attendees underscored the importance of understanding the emotional stress flood victims suffer and the extra time needed with insureds to evaluate the extent of damage, discuss policy coverage exclusions, and inform them about advance payments. Additional hot topics included Increased Cost of Compliance, repetitive losses, adjuster certification, the Single Adjuster Program, and restoration companies.

Marketing

Using the format of a WYO Marketing Committee meeting, panelists gave reports about the NFIP Evaluation (focusing on the study of mandatory purchase requirements), the Rand study on flood insurance market penetration (showing a rate of 50-60 percent in SFHAs), and the FloodSmart marketing campaign (10 months of consecutive net policy growth). By the end of 2005, a secure site for insurance agents will be introduced on FloodSmart.gov for access to additional resources.

Recognizing Excellence

Yesterday's program awards luncheon began with a delicious meal and a stirring video produced for the FloodSmart campaign. Attendees then honored several NFIP partners for activities they'd undertaken during Fiscal Year 2004—October 1, 2003, through September 30, 2004.

Agency of the Year Awards

This award is given to three insurance agencies that display innovative marketing strategies, increase their flood portfolios, and actively promote flood awareness. This year's winners were Warren Barhorst Agency, Inc; Shelley & Associates, Inc; and Gateway Insurance Services, Inc.



Accepting the Agency of the Year Awards were (left) Warren Barhorst for the Warren Barhorst Agency, Gloria Fecher for Shelley & Associates, and Mike Shafer for Gateway Insurance.

Administrator's Club and Trophy Awards

The Administrator's Club Award is bestowed upon WYO companies in recognition of their contribution to the growth of the NFIP. Winners are divided into five groups, representing policy base thresholds. This year's winners were Fidelity National Property & Casualty Insurance, Southern Family Insurance Company, First Insurance of Hawaii, Federated National Insurance Group, and Sunshine State Insurance Company.

The company that experienced the highest percentage of overall growth is awarded the Administrator's Club trophy. The Administrator's Club trophy winner was United Surety & Indemnity Company.

Administrator's Quill Award

This award recognizes the WYO company with the highest percentage of overall growth, excluding rewritten policies. The Administrator's Quill Award was given this year to Fidelity National Property & Casualty Insurance.

Special Tribute

The awards luncheon closed with a special recognition of Bob Ross who, while working with the Florida Association of Insurance Agents (FAIA), was a founding member and former chair of the Flood Insurance Producers National Committee, and Emcee of many past National Flood Conferences.

"If David McCullough ever writes a history of the NFIP, one of the chapters will be devoted to Bob Ross," said Ed Pasterick, FEMA Senior Advisor, adding that Ross tirelessly championed agent education in his decades of work with the NFIP.



Bob Ross, FAIA

"More than anybody, he kept the Feds on their toes," Pasterick continued. "If Bob raised an issue, nobody rested until Bob got an answer." According to Pasterick, Ross resolved many issues of importance to agents and insureds.

"Beyond that, Bob is a gentleman and a friend and one of the most wonderful people I've ever met," concluded Pasterick. "It would be impossible to come to Florida and not recognize Bob Ross and his contributions to the NFIP."

Thunderstorms Didn't Deter These Runners and Walkers!



Although the official 5K Run sponsored Thursday morning by the NLIC and the Salvation Army was scrubbed when the fire department warned of imminent thunderstorms, dozens of runners and walkers took to their heels to race unofficially on behalf of local disaster relief efforts. Todd Davison (FEMA Region IV) and Bob Dube (St. Paul Travelers) loped back in first place, and most of the remaining runners and dozens of walkers returned and were under shelter before the rainfall began. In all, more than \$5,700 was raised for the Salvation Army's relief work in the Naples area.

See You Next Year!

The 2006 National Flood Conference will be held May 7-10, 2006, at the Wyndham Hotel in Philadelphia, Pennsylvania. We hope to see you there!

